In the
Supreme Court of the United States

OCTOBER TERM 1960

No. 182

GEUDER, PAESCHKE & FREY CO., A CORPORATION
Petitioner

vs.

JOHN R. CLARK, AND THE J. R. CLARK COMPANY
Respondents

RESPONDENTS' BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

ANDREW E. CARLSEN
417 Plymouth Building
Minneapolis 3, Minnesota
Attorney for Respondents

Hayward Court Brief Ptg. Co., Mpls. 15, Minn.

INDEX

PAGE

Foreword 1

Respondents' statement of the case 2

Arguments 4

I. The petition fails to make out even a prima facie case for review by certiorari 4

II. Neither issuance of the Hortman patent nor anything decided by the U. S. Court of Customs and Patent Appeals can possibly affect the two judgments now entered against petitioner, G. P. & F. 5

III. The equities clearly and fully support respondents' position 7

IV. The authorities fully support respondents' position on all issues presented 9

Conclusion 11

Notice of service 11

AUTHORITIES CITED

Statutes:

28 USC No. 1254(1) 1
35 USC 291 ..... 6, 10

Cases:

Dooley Improvements, Inc. v. Motor Improvements, Inc., 66 F. 2d 553, c.d. 54 S. Ct. 127, 290 U. S. 689 6
Engler v. General Electric, 144 F. 2d 191 6
Hildreth v. Mastorus, 257 U. S. 27, 42 S. Ct. 20 10
International Signal Co. v. Vreeland Apparatus Co., 278 Fed. 468 ..... 9, 10
U. S. v. Manton, et al., 107 F. 2d 834, c.d. 309 U. S. 664, 6 S. Ct. 590 9

Rules:

Rules of Civil Procedure, Rule 60(b) 7

In the
Supreme Court of the United States
OCTOBER TERM 1960

No. 182

GEUDER, PAESCHKE & FREY CO., A CORPORATION
Petitioner

VS.

JOHN R. CLARK, AND THE J. R. CLARK COMPANY
Respondents

RESPONDENTS' BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

FOREWORD

Respondents take no exception to petitioner's preliminary statement in the Petition (p. 1); nor to the references to the OPINIONS BELOW; nor that JURISDICTION (p. 2) is being invoked under 28 USC No. 1254(1).

Respondents deny that the "QUESTION (as) PRESENTED" (pp. 2-4) is one that justifies the attention or warrants the intervention of this Court. More specifically respondents deny that either the Court of Appeals for the Seventh Circuit erred in its decision reported at 288 F.2d 1, or that the District Court erred in its decision as reported at 26 FRD 223. Respondents further deny that Claim 1 of the Olander patent and claim 14 of the Hort-

man patent are for "the same invention". Respondents still further deny that the alleged CONSTITUTIONAL PROVISION AND STATUTES INVOLVED, as quoted on pages 4-5 of the Petition, are of any consequence in the present proceedings.

RESPONDENTS' STATEMENT OF THE CASE

Not one of the grounds prescribed by Rule 19 of this Court, as governing reviews on certiorari, is present in this case. Thus, there are no special or important questions involved. In fact there are no issues presented that cannot be and have not already been resolved by the most elementary rules of law.

The original Complaint, charging petitioner (G. P. & F.) with infringement of claim 1 of the Olander patent No. 2,663,102 was filed by respondents (Clark) in the District Court for the Eastern District of Wisconsin on May 12, 1954. After full trial and arguments the Trial Court, by Chief Judge Robert E. Tehan, found the Olander claim in suit valid and infringed (159 F.Supp. 948).

The Trial Court's judgment was affirmed by the Court of Appeals for the Seventh Circuit, in its decision of October 10, 1958, reported at 259 F.2d 737, and on February 24, 1959 this Court denied a Petition for Writ of Certiorari, 359 U.S. 914.

The merits of the case having been disposed of a Special Master was appointed to take the account, and evidence having been taken his Report was rendered and is now before the District Court for approval or possible modification.

Insofar as validity or infringement of claim 1 of the Olander patent is concerned a complete round of litigation has occurred and in all three courts G. P. & F. has, on every contention, been soundly defeated.

In short, the present petitioner (G. P. & F.) has not only had its day in Court, but has exhausted every conceivable avenue of appeal and review.

In the present suit petitioner sought to escape or at least delay a money judgment in the original suit, not by reopening the parent action, as would normally be attempted where allegedly new evidence is pleaded, but by an entirely separate or "independent action" in which it prayed that the Clarks "be enjoined, pendente lite and permanently, from enforcing" the judgment entered in the original suit.

The sole basis for the Complaint in the present case, and the only reason advanced for its justification, is that the Olander claim 1 should be declared invalid because of the issuance on July 28, 1959 of the Hortman patent No. 2,896,347 containing Claim 14 which petitioner contends is for the same invention as that defined by claim 1 of Olander.

On granting Respondents' Motion for Summary Judgment, for lack of jurisdiction, the District Judge pointed out (App. 106) that—

> "no case has been found in which the lower court was held authorized to entertain an independent action to enjoin enforcement of a judgment which has been affirmed by a higher court where the sole ground for relief set forth in the independent action is newly discovered evidence."

He also noted, inter alia (App. 108), that—

> "More than adequate time was given for exhaustive investigation and preparation for trial. When the parties stipulated as to the issues, it was with the clear understanding that these were the only issues and that resolution of them would fully and finally determine the litigation."

The Court of Appeals for the Seventh Circuit not only affirmed the District Court on the jurisdictional issue, but went further in specifically holding that there were "important differences" between the compared claims of Olander and Hortman, in that

> "The two claims are directed to different concepts and combinations of elements."

ARGUMENTS

I.

The petition fails to make out even a prima facie case for review by certiorari.

In addition to failing to comply with the provisions of this Court's Rule 19, the present Petition, insofar as it pretends to rely on the Constitution and on Sections 102 and 103 of the Patent Act of 1952, is completely without merit, because it fails to point out anything done or said by either the trial or appellate courts, and in either this or the original action, which could be construed as an attempted interpretation of these constitutional or statutory provisions of the law. The Petition raises a wholly academic issue as to the meaning of these provisions citing authorities with none of which the courts deciding this case have, even remotely, differed.

Secondly, the Mandate of the Court of Appeals, in the present action, was issued to the District Court on April 26, 1961, and no attempt has been made by petitioner to recall that Mandate. Consequently, and since the proceedings in the parent suit are now closed, insofar as the merits are concerned, the present Petition obviously raised issues which are purely moot.

II.

Neither issuance of the Hortman patent nor anything decided by the U. S. Court of Customs and Patent Appeals can possibly affect the two judgments now entered against petitioner, G. P. & F.

The foregoing contention is supported by many reasons, of which we merely list the following.

(a) Claim 1 of Olander and Claim 14 of Hortman are NOT for the same invention, a fact which becomes obvious from a mere reading of the two claims as they appear in the Petition (pp. 2-3).

(b) The Court of Appeals stated that there are "important differences" between the two claims in that they "are directed to different concepts and combinations of elements." The Petition contends (p. 10) that this "is a mere conclusion" by the appellate Court, but what of it? It is a factual conclusion and therefore entitled to great weight. Furthermore, and since neither Hortman nor Proctor Electric Company, owner of the Hortman patent, nor anyone else directly concerned with the Hortman patent, are in any way involved in this litigation, neither the Court of Appeals nor respondent are under any obligation to list the many distinguishing limitations in the two claims, as that, too, would be a purely moot situation.

(c) Petitioner itself recognizes (pp. 16-19) that there are several differences between the Hortman and Olander claims, but attempts to dispose of them by arguing that the differences are not "inventive" or "patentable," thus raising an entirely different and also moot issue.

(d) If, by any stretch of interpretation, the Olander and Hortman claims can be said to be for the "same

invention" then they are "interfering patents," and, under 35 U.S.C. 291, only the owners of "interfering patents" may ask the courts for relief. Here neither of the owners of the patents in question are seeking such relief and for the reason, inter alia, that they are not for the same invention. In fact, since Proctor Electric Company would be an indispensable party to any action involving the Hortman patent, neither this Court nor either of the lower courts could have any jurisdictional interest in it. Dooley Improvements Inc. v. Motor Improvements Inc., 66 F.2d 553, c.d. 54 S.Ct. 127, 290 U.S. 689, and Engler v. General Electric, 144 F.2d 191.

(e) When allowing the Hortman Claim 14, in Application of Hortman, 264 F.2d 911 (an ex parte proceeding), the Court of Customs and Patent Appeals did not adjudicate the Olander patent, and as noted by the Court of Appeals (Pet. p. 26) "It is a legitimate inference that that Court (C.C.P.A.) did not intend to hold that Olander was not the inventor of the subject matter of Claim 1 of his patent."

(f) Petitioner's contention (p. 6) that the Court of Customs and Patent Appeals "judicially interpreted" Claim 14 of Hortman is erroneous or at least not accurate. All the Court did was to hold the Claim patentable over prior art there of record. It did not adjudicate the validity of the claim, as has been done with the Olander claim, and certainly did not have the benefit of an adversary contest.

(g) Finally, the Hortman patent discloses, i.e., shows and describes nothing more than the old "Mary Proctor" ironing table, which was heavily relied upon by petitioner as prior art in the parent case, and which was rejected by

both lower courts as *not* being anticipatory of the Olander claim. Thus, the Court of Appeals clearly held (259 F.2d 737) that—

> "We likewise agree with the statement of the district judge that the Mary Proctor ironing table * * * does not suggest the invention of the (Olander) patent in suit."

III.

The equities clearly and fully support respondents' position.

This action was initially presented as one "authorized by Rule 60(b) of the Federal Rules of Civil Procedure." It subsequently developed that petitioner had not even remotely qualified itself under that Rule, which no doubt accounts for the fact that no mention is even made of it to this Court.

The Petition now proceeds on the theories that "public interest requires the striking down of" the Olander patent (p. 10), and that "enforcement of a judgment based on Olander Claim 1 should be enjoined" because it would be "unconscionable" (p. 15). Little argument is needed to demonstrate the utter fallacy of these theories.

Aside from the fact that petitioner is clearly in no way concerned about "public interest" there is nothing in the record that even remotely suggests that any such interest exists. And when Petitioner has not even been able to show that Hortman or Proctor Electric is interested then the argument must be summarily rejected.

In urging that enforcement of the original judgment is "unconscionable" petitioner appeals to the equity side of the Court, and in doing so gets into a net from which it cannot possibly extricate itself. What then are the established equities in the present situation.

In the first place, this was not an innocent infringement. When the Clark (Olander) table was first displayed it was immediately and intentionally copied by petitioner G. P. & F. (159 F.Supp. 948, 949-50, Findings 12 to 18. See also 259 F.2d 737, at 738). When this case came before the Court of Appeals, it said that

> "Both the District Court and this Court noted that G. P. & F. deliberately copied the Olander invention immediately after it appeared on the market" (288 F.2d 1, at 4).

Significantly, G. P. & F. did not copy the Hortman design or the Mary Proctor table then on the market.

Secondly, and as also noted by the Court of Appeals (at 288 F.2d 1, 4)

> "Also, that in the course of the litigation, G. P. & F. sold its ironing table business to Jones & Laughlin Steel Corporation. As a result of this sale, Clark felt compelled to prosecute a new suit in the United States District Court for the Southern District of Indiana."

In the District Court's decision, in the Indiana suit (186 F.Supp. 22), Chief Judge Steckler granted Clark's motion for summary judgment, noting as "admitted and somewhat surprising facts that * * * Jones & Laughlin, with full knowledge of the Wisconsin suit—purchased from Geuder, Paeschke & Frey the assets of that firm's Consumer Products Division which manufactured and sold ironing tables" which it continued to manufacture.

That decision was affirmed by the Court of Appeals at 288 F.2d 279.

A third factor, bearing on the equities in this case, is that since the original suit was filed against G. P. & F.

on May 12, 1954, it has done everything within its power to delay the final judgment against its wrongdoings, and with apparently inexhaustible resources has put Clark to the trouble and expense of fighting three law suits, all of which have been successively carried to this Supreme Court. This has wasted untold hours of Courts' and counsels' time, which can only be classified as futile litigation of the most vexatious type.

IV.

The authorities fully support respondents' position on all issues presented.

As the controlling authorities, bearing on all questions here in issue, have been fully considered and properly applied by the District Court and the Court of Appeals, in their respective decisions, further discussion of those decisions seems unnecessary.

We do, however, wish to comment on a newly cited opinion on which petitioner now and somewhat strangely places weight. Reference is made to a quotation from Judge Manton in International Signal Co. v. Vreeland Apparatus Co., 278 Fed. 468, appearing on pages 18-19 of the Petition. There are a number of cogent reasons why that case does not support the petitioner's position.

In the first place Judge Manton's conviction of conspiracy to obstruct the administration of justice, and particularly in connection with several patent suits (U. S. v. Manton et al., 107 F.2d 834, c.d. 309 U.S. 664, 6 S.Ct. 590), hardly establishes him as an authority on patent law or the equitable aspects thereof.

Secondly, the opinion quoted from in the Petition was a dissenting opinion and was therefore not even the controlling law of that case.

Thirdly, and of paramount importance, the majority opinion is one that clearly follows long established principles of patent law and therefore fully supports respondents' position.

Thus, the International Signal case was one in which the parties to the suit were owners of the allegedly conflicting patents, and (p. 470)

> "The aim (was)—to determine priority of invention, and, on the basis thereof, to annul the patent erroneously and/or inadvertently issued."

In short it was an "interfering patents" suit brought under Sec. 4918 R.S., now 35 U.S.C. No. 291, in which the owners of the patents are undispensable parties.

Of greater importance, however, the court held that the claims in the two patents were not for the same invention, and that the court could not, in such a suit, pass on patentability of one claim over the other.

> "If, then, the concededly junior patentee is claiming an alleged specific improvement of the prior and basic patent, the patentability of the alleged improvement is not the subject-matter of an interference suit" (p. 470)

* * * * *

> "Only the clearest conviction of identity of claims would justify the court now to find an interference."

The court then relied on the Supreme Court decision in Hildreth v. Mastorus, 257 U.S. 27, 42 S.Ct. 20, wherein it was said—

> "The presumption of priority and novelty (and, we may add here, non-interference) which arises from the granting of a patent must have greatly increased weight, and the claim of the inventor is subjected to

such close and careful scrutiny under the stimulus of a heated contest."

CONCLUSION

Manifestly, the "QUESTION PRESENTED" by the Petition is not present in this case and since the issues discussed are either purely academic or moot the Petition should be denied.

Respectfully submitted.

ANDREW E. CARLSEN
417 Plymouth Building
Minneapolis 3, Minnesota
Attorney for Respondents

NOTICE OF SERVICE

This is to certify that four copies of this brief have been served on Maxwell H. Herriott, counsel for petitioner, by mailing the same to him at his last known address, this — day of July, 1961.

ANDREW E. CARLSEN